



# Memorandum

**TO:** RULES AND OPEN GOVERNMENT  
COMMITTEE

**FROM:** Mayor Chuck Reed

**SUBJECT:** TRANSFER OF SOLAR ENERGY

**DATE:** January 11, 2008

Approved

Date

## RECOMMENDATION

The City of San José sponsor legislation that would allow for the transfer of energy produced on city facilities. This would allow for an increase in the use of renewable energy by the City of San José and is consistent with the City's Green Vision, which was unanimously passed by the City Council on October 30, 2007.

## BACKGROUND

In California, municipalities are currently not allowed to transfer excess electricity produced on one facility to another. If San José were to produce electricity on a city facility in excess of the electricity required to run that facility, it would not receive credit when this electricity is placed back into the grid. This leads to a disincentive to install photovoltaic units on buildings that will not use all of the electricity that is produced. Some city facilities (parking garages for example) use little electricity themselves, yet are ideal candidates for photovoltaic systems because of the amount of surface area on their roofs. Under current regulations, the City would only install solar on these facilities equal to the electricity needs, rather than having the opportunity to provide additional solar for other buildings' needs.

A change in legislation will allow San José to use excess energy produced on one facility to power additional facilities. This would make installation of photovoltaic systems on buildings economically feasible, and would not limit these installations to buildings that consume all of the power that is being generated.